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September 29, 2003

#### VIA OVERNIGHT DELIVERY

Marlene H. Dortch, Secretary Federal Communications Commission Office of the Secretary 9300 East Hampton Drive Capitol Heights, MD 20743

Re: CC Docket No. 96-45: Certification Under 47 U.S.C. § 254(e).

Dear Secretary Dortch:

The Public Service Commission of West Virginia (WVPSC) hereby submits its certification in accordance with 47 C.F.R. §§ 54.313 & .314. These sections of the Commission's rules requires state certification in order to allow incumbent local exchange carriers (incumbent LECs or ILECs) and competitive LECs that have been designated as eligible telecommunications carriers (ETCs), to receive federal universal service support pursuant to 47 C.F.R. §§ 54.301 to .314.

As required by 47 C.F.R. §§ 54.313(a) & .314(a), the WVPSC certifies that the following carriers in West Virginia are eligible to receive federal support during January 1, 2004 to December 31, 2004: Armstrong Telephone Company - Northern Division; Armstrong Telephone Company - West Virginia; Citizens Telecommunications Company of West Virginia, d/b/a Frontier Communications of West Virginia; Easterbrooke Cellular Corporation; FiberNet, LLC.; Hardy Telecommunications, Inc.; Highland Cellular, LLC; Spruce Knob-Seneca Rocks Telephone, Inc.; Gateway Telecom, LLC. d/b/a StratusWave Communications; Verizon West Virginia Inc.; War Telephone Company; and West Side Telephone Company, d/b/a West Side Telecommunications. These carriers are either ILECs or have been designated ETCs by the Commission.. The WVPSC further certifies that these carriers will use federal universal service support only for the provision, maintenance and upgrading of facilities and services for which the support is intended, consistent with Section 254(e) of the Communications Act of 1934, as amended. This certification is the product of formal proceedings before the WVPSC. See "Commission Order," General

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Ms. Marlene H. Dortch September 29, 2003 Page 2

Investigation Re: Certification of the Disposition of Federal Universal Service Funding for Calendar Year 2004, Case No. 03-0781-T-GI (Sept. 26, 2001) (copy attached). With respect to Verizon-WV, all federal universal service support received by Verizon-WV is used to reduce monthly rates for single-line business and residential customers in West Virginia, pursuant to settlement agreements.

On behalf of the people of West Virginia, the WVPSC expresses its appreciation for the Commission's efforts in arriving at a mechanism to provide support that will reduce monthly rates for the bulk of consumers and make those rates more comparable to rates paid by consumers in other parts of the Nation.

Very truly yours,

E. H. STAATS, Chairman

Encl.

cc:

Irene Flannery, Universal Service Administrative Company

2120 L Street, NW

Suite 600

Washington, DC 20037

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# PUBLIC SERVICE COMMISSION OF WEST VIRGINIA CHARLESTON

At a session of the Public Service Commission of West Virginia, in the City of Charleston, on the 29th day of September, 2003.

CASE NO. 03-0781-T-GI

#### GENERAL INVESTIGATION REGARDING

Certification of the disposition of federal universal service funding by incumbent local exchange telecommunications carriers and competitive eligible telecommunications carriers in West Virginia for calendar year 2004.

## COMMISSION ORDER

On May 21, 2003, the Commission's Consumer Advocate Division (the CAD) filed the "Consumer Advocate Division's Petition To Initiate a General Investigation." The CAD petitioned the Commission to initiate a general investigation regarding the certification of compliance with Section 254(e) of the Communications Act of 1934, (47 U.S.C. §254(e)), as amended, (the Act), by all eligible telecommunications carriers (ETCs) in West Virginia for the calendar year 2004. Staff further petitioned the Commission to initiate a general investigation to establish conditions which should normally be imposed in any order granting ETC status and uniform standards regarding the certification of compliance with these conditions and with Section 254(e) by all ETCs in the State of West Virginia.

Staff filed its "Initial Joint Staff Memorandum" on July 16, 2003. Therein Staff recommended the Commission initiate two separate general investigations to address the CAD request.

By order entered August 5, 2003, the Commission granted the CAD's petition to initiate a general investigation regarding certification of the disposition of federal universal service funding for calendar year 2004 by: (1) incumbent local exchange carriers (incumbent LECs or ILECs) and (2) competitive LECs that have been designated as eligible telecommunications carriers (ETCs) in West Virginia. In accordance with Staff's recommendations, the Commission ordered that ILECs and competitive ETCs file verified statements demonstrating that they use federal universal service support "only for the

provision, maintenance and upgrading of facilities and services for which the support is intended," consistent with Section 254(e) of the Telecommunications Act of 1996, by August 15, 2003. Commission Order Initiating A General Investigation, Case No. 03-0781-T-GI (August 5, 2003), at 2.

In accordance with the Commission's order, a number of carriers filed statements verifying that federal universal service funding is used only for the provision, maintenance and upgrading of facilities and services for which the support is intended, consistent with Section 254(e) of the Telecommunications Act of 1934, as amended. These carriers were:

August 12, 2003

Digital Connections, Inc.
Spruce Knob-Seneca Rocks Telephone, Inc.

August 13, 2003

Armstrong Telephone Company - Northern Division
Armstrong Telephone Company - West Virginia
Citizens Telecommunications Company of West Virginia, d/b/a
Frontier Communications of West Virginia
Hardy Telecommunications, Inc.

August 15, 2003
Highland Cellular, LLC
Easterbrooke Cellular Corporation
Verizon West Virginia Inc.
West Side Telephone Co., d/b/a West Side Telecommunications

August 19, 2003 FiberNet, LLC.

Two carriers, War Telephone Company and Gateway Telecom, LLC, doing business as StratusWave Communications, filed after the August 15, 2003, deadline.

On September 24, 2003, Staff filed a memorandum stating that it has reviewed the verified statements provided by the aforementioned carriers and recommended that the Commission enter an order finding that: (1) Digital Connections, Inc., does not have ETC

<sup>&</sup>lt;sup>1</sup> Stratus Wave Communications filed on August 26, 2003, and War Telephone Company filed on September 3, 2003. The Commission will address the filings on a substantive basis.

status; (2) the carriers are using federal universal service support only for the provision, maintenance and upgrading of facilities and services for which the support is intended, consistent with Section 254(e) of the Communications Act of 1934, as amended; and (3) it is appropriate to certify to the Federal Communications Commission (FCC) and Universal Service Administrative Company (USAC) that the carriers are eligible to continue receiving federal universal service support, based on those verified statements.

## DISCUSSION

The Commission finds that the above mentioned telecommunications carriers, except Digital Connections, Inc., use federal universal service support only for the provision, maintenance and upgrading of facilities and services for which the support is intended, consistent with Section 254(e) of the Communications Act of 1934, as amended, and should be certified to receive Federal Universal Service support during January 1, 2004 to December 31, 2004. These carriers are either ILECs or have been previously designated as ETCs by the Commission.

Digital Connections, Inc., should submit, under a separate filing, its request for ETC status.

## **ORDER**

IT IS THEREFORE ORDERED that the following carriers are using Federal Universal Service support only for the provision, maintenance and upgrading of facilities and services for which the support is intended, consistent with Section 254(e) of the Communications Act of 1934, as amended:

- (1) Armstrong Telephone Company Northern Division
- (2) Armstrong Telephone Company West Virginia
- (3) Citizens Telecommunications Company of West Virginia, d/b/a Frontier Communications of West Virginia
- (4) Easterbrooke Cellular Corporation
- (5) FiberNet, LLC
- (6) Hardy Telecommunications, Inc.
- (7) Highland Cellular, LLC
- (8) Spruce Knob-Seneca Rocks Telephone, Inc.
- (9) Gateway Telecom, LLC, d/b/a StratusWave Communications
- (10) Verizon West Virginia Inc.
- (11) War Telephone Company

# (12) West Side Telephone Co., d/b/a West Side Telecommunications

IT IS FURTHER ORDERED that it is appropriate to certify to the Federal Communications Commission and Universal Service Administrative Company that the above stated carriers are eligible to continue receiving federal universal service support for calender year 2004, based on the verified statements submitted to the Commission.

IT IS FURTHER ORDERED that upon entry of this order, this case shall be removed from the Commission's docket of open cases.

IT IS FURTHER ORDERED that the Commission's Executive Secretary serve a copy of this order upon all parties of record by United States First Class Mail and upon Commission Staff by hand delivery.

A True Copy, Teste:

Sandra Squire C Executive Secretary

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